

Signed and Filed: December 18, 2015



*Dennis Montali*

UNITED : DENNIS MONTALI  
U.S. Bankruptcy Judge  
NORTHERN DISTRICT OF CALIFORNIA

In re  
ALMA VERONICA VALLE,  
Debtor. )  
\_\_\_\_\_  
) Bankruptcy Case  
) No. 14-30820DM  
) )  
) Chapter 13  
)

MEMORANDUM DECISION REGARDING COUNSEL'S FEE APPLICATION

On November 19, 2015, this court held a hearing on and took under advisement the fee application of Jason Honaker and William H. Hummel ("Counsel"), attorneys for debtor Alma Veronica Valle ("Debtor"). Counsel sought approval of fees in the amount of \$19,763.00 (\$6,600 of which has already been paid pursuant to this court's no-look guidelines set forth in the Rights and Responsibilities of Chapter 13 Debtors and Their Attorneys)(the "Guidelines").<sup>1</sup> For the following reasons, the court will allow an additional \$7,500 in fees, resulting in a total allowance of \$14,100.00.

The services provided by Counsel are covered by the Guidelines, and the case is relatively straightforward. Approximately two weeks after the petition date, Debtor filed her

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<sup>1</sup>Both Debtor and Counsel agreed to and signed the Guidelines. See Docket No. 8 at pages 30-33.

1 amended schedules identifying fifteen creditors. Debtor's primary  
2 asset was her residence, which she valued at \$480,000 and in which  
3 she claimed a \$100,000 homestead exemption. The consensual deed  
4 of trust liens secured approximately \$460,000 in debt. In  
5 addition, five judgment liens encumbered Debtor's residence.  
6 Debtor filed one *unopposed* motion to avoid three of those judgment  
7 liens (securing approximately \$15,000 in debt). The court granted  
8 that combined motion and confirmed her unopposed plan within three  
9 months of the petition date.

10       Eight months after the petition date, the senior secured  
11 lender filed a motion for relief from stay, which Debtor opposed.  
12 The court ultimately entered an order terminating the stay. About  
13 five months later, Debtor filed a motion to sell the property free  
14 and clear of all judgment liens; the purchase price was \$575,000.  
15 She also filed a second *unopposed* combined motion to avoid the  
16 remaining two judicial liens. The junior lender filed a limited  
17 opposition to the sale motion, indicating that it consented to the  
18 sale as long as its lien attached to the proceeds of the sale.  
19 Following the hearing and the provision of an updated closing  
20 statement, the court approved the sale.

21       More than a year after the petition date (May 30, 2014) and  
22 the confirmation date (August 22, 2014), Debtor filed a motion to  
23 modify the confirmed plan. The chapter 13 trustee objected, but  
24 withdrew the objection 17 days later, without necessitating any  
25 reply by Debtor.

26       In summary, Counsel provided the basic chapter 13 services  
27 (\$4,000 under the Guidelines signed by Debtor), filed two  
28 unopposed section 522(f) motions to avoid judicial liens (\$1,250),

1 responded to one motion for relief from stay filed within one year  
2 of the petition date (which, under the Guidelines, is considered a  
3 basic case service), filed a motion to sell real property that  
4 required a hearing (\$400), and filed an opposed motion to modify  
5 plan more than one year after the petition date (\$400). Moreover,  
6 under the Guidelines, Counsel is entitled to additional fees as  
7 the case involved real property claims (\$850) and vehicle loans  
8 (\$500). If the Court allowed the fees in accordance with the  
9 Guidelines, Counsel would be entitled to only \$7,400 in fees  
10 (\$6,600 of which has been paid). The court, however, acknowledges  
11 that much of the activity relating to the motion for relief from  
12 stay occurred more than a year after the petition date, and thus  
13 believes that Counsel would be entitled to additional compensation  
14 (\$700) for those services under the Guidelines. Therefore, under  
15 the Guidelines, Counsel would be entitled to \$8,100 in  
16 compensation.

17 Counsel, however, is requesting approval of fees in the  
18 amount of \$19,763.00, more than double the amount that the Court  
19 would allow under the Guidelines. Unfortunately, neither the time  
20 records nor the narrative of the fee application satisfactorily  
21 explain and justify the excess fees sought by Counsel. This case  
22 does not appear to be particularly difficult or out of the  
23 ordinary. In particular, Counsel has not adequately set forth the  
24 necessity of and justification for the fees (exceeding \$10,000)  
25 incurred in two vague categories: Communications and Meetings  
26  
27  
28

1 (\$5,859) and Document Reviews and Analysis (\$4,426).<sup>2</sup> An adequate  
2 description of the specific work performed and specific need for  
3 the communications or review is absent. In fact, Counsel  
4 acknowledges that "communications" and "reviews" related to  
5 specific projects are in the relevant project categories. Yet the  
6 fees charged in these two vague categories (communications and  
7 review) constitute more than half of the compensation sought by  
8 Counsel.

9 In light of the foregoing, the court will allow only the  
10 amount permitted by the Guidelines (\$8,100) plus an additional  
11 \$6,000 to compensate for any difficult circumstances not reflected  
12 in the fee application.

13 Counsel should upload an order allowing total compensation in  
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15 <sup>2</sup> B. Communication and Meetings

16 You [sic] Applicant spent 17.5 hours communicating with  
17 the Debtor, creditors, the Debtor's agents, and the  
18 Trustee for this case. The various filings, the sale of  
19 the home, the numerous inquiries by the Debtor and  
20 coordination between counsels [sic] necessitated a great  
deal of communication to attempt to resolve.  
Communications related specifically to a motion are  
including [sic] under the categories for those motions  
for clarity.

21 Total Hours: 17.5  
22 Total Fees: \$5,859.00

23 \* \* \*

24 D. Document Review and Analysis

25 Your Applicant spent 13 hours reviewing and analyzing  
26 the Debtor's documents and documents filed in the case.  
27 This includes time spent reviewing the case and file in  
order to answer numerous inquiries by the Debtor's  
agents.

28 Total Hours 13  
Total Fees: \$4,426.00

1 the amount of \$14,100 and disallowing the balance of its request  
2 (\$5,663) for the reasons stated in this memorandum decision.  
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COURT SERVICE LIST

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